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Frequently Asked Questions

1054. Do the new investment prohibitions of Executive Order (E.O.) 14066, E.O. 14068, or E.O. 14071 (collectively, “the respective E.O.s”) prohibit U.S. persons from purchasing debt or equity securities issued by an entity in the Russian Federation?

Answer

Yes, the respective E.O.s prohibit U.S. persons from purchasing both new and existing debt and equity securities issued by an entity in the Russian Federation. However, the new investment prohibitions of the respective E.O.s do not prohibit U.S. persons from selling or divesting, or facilitating the sale or divestment of, debt or equity securities issued by an entity in the Russian Federation to a non-U.S. person (see [FAQs 1049](#) and [1053](#)).

Please note that U.S. persons are not required to divest such securities and may continue to hold such previously acquired securities. Moreover, the conversion of depositary receipts to underlying local shares of non-sanctioned Russian issuers would not be considered a prohibited “new investment” in the Russian Federation under the respective E.O.s.

Additionally, the purchase of shares in a U.S. fund that contains debt or equity securities issued by entities in the Russian Federation generally would not be considered a prohibited “new investment,” under the respective E.O.s, so long as these holdings represent less than a predominant share by value of debt or equity securities issued by entities in the Russian Federation. As a result, U.S. persons may continue to invest in the fund, and the fund may continue to operate. Generally, the fund may also divest itself of these prohibited holdings.

Please note that transactions must not involve blocked persons or other prohibited transactions unless exempt or otherwise authorized by OFAC.